

<p style="text-align: center;">SECTION 7.2-1 Ordinance Providing Partial Tax Exemptions for Totally Disabled Property Owners and Property Owners 65 Years of Age and Older</p>

7.2-1.1 Title

This Ordinance shall be known as the Ordinance Providing Partial Tax Exemption for Totally Disabled Property Owners and Property Owners 65 Years of Age or Older.

7.2-1.2 Qualifications for Participation

To qualify under this Ordinance, an applicant must be either:

- a. Totally disabled and able to document said disability by meeting the definition “totally disabled” as defined by Social Security Disability or by filing certified copies of any award letters from government agencies indicating that the applicant is totally disabled; or
- b. 65 years of age or older at the beginning of the tax year for which the application is made.

However, an individual may only apply for inclusion under this Ordinance under one of the two provisions above. All financial obligations to the Town of Clayton must be current.

7.2-1.3 Residency Qualifications

The dwelling for which the exception is sought must be the principal place of residence of the applicant at the time of application and must have been the principal place of residence for the past twelve (12) months immediately preceding the tax year for which application is being made and the Applicant must have been a Delaware resident for at least five (5) years immediately preceding the tax year for which the application is being made.

7.2-1.4 Ownership Qualifications

Title to the property for which the exemption is sought must be in the name of the applicant, or if married, in the name of the applicant and applicant’s spouse as reflected in the official records of

Kent County. In the event that the ownership of the residence dwelling is shared by the applicant and spouse with others who do not qualify for participation under this Ordinance, then the exception permitted in Section 7.2-1.8 shall apply to the proportionate share of the residence dwelling owned by the applicant and spouse. In addition, no application for exemption will be accepted unless applicant has made a similar application with and approved by the Levy Court of Kent County.

7.2-1.5 Eligible Property

Property considered eligible for inclusion under this Ordinance shall be only the residence dwelling owned by an eligible applicant and, if applicable, up to one (1) acre of land upon which it is located. Land which has been included under the State of Delaware Farmland Assessment Act shall not be eligible for partial tax exemption under this Ordinance.

7.2-1.6 Income Limits

The total adjusted gross annual income of a single applicant shall not exceed \$16,000. The combined total adjusted gross annual income of an applicant and spouse residing together in the subject dwelling shall not exceed \$22,000. An additional \$1,300 per year may be added to the maximum adjusted gross annual income for each additional dependent residing in the dwelling of a qualified applicant for who the applicant is the sole means of support. For the purposes of this Ordinance, the word “dependent” shall be defined by the Internal Revenue Service.

7.2-1.7 Income Exclusions

Social Security, Railroad Retirement Tier I, and if disabled pension income directly related to the applicant’s disability shall be excluded from the calculation of the gross annual income.

7.2-1.8 Exemption Limit

An applicant who otherwise qualified under this Ordinance shall be entitled to an exemption from all real property taxes on the first \$18,000 of assessed value of the applicant’s eligible property as

defined in Section 7.2-1.5. This exemption shall not apply to local ditch taxes, sewer, trash, water, or other fees.

7.2-1.9 Application Filing Requirements

Applicants or their legal agents must file for exemption in the Office of Assessor in care of the Town Clerk, Town of Clayton in the manner determined no later than April 15th prior to the tax year for which the exemption is sought and must verify their eligibility in writing every year thereafter to continue to qualify for the exemption.

7.2-1.10 Determination of Eligibility

Based on the information submitted by the applicant and on county records evidencing that Kent County has previously approved a similar exemption, the Town Council shall determine whether the application qualifies for the exemption permitted by this Ordinance.

7.2-1.11 Termination of Eligibility

Eligibility under this Ordinance shall terminate automatically when the applicant fails to meet any of the conditions stated herein.

7.2-1.12 Appeals

An applicant may appeal the disposition of an exemption claim in the same manner as is provided for appeals from assessments. The deadline for filing written appeals shall be the second monthly Town Council meeting in May prior to the tax year for which the exemption is sought. Appeal hearings will be scheduled at the convenience of the Town Council.

7.2-1.13 Severability

The provisions of this Ordinance are severable and if any of its provisions or any sentence, clause, or paragraph shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.